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**From:**

**Sent:** Friday, May 13, 2011 7:55:55 AM

**To:**

**Cc:**

**Subject:** Assessment Period of Limitations for Section 6695A Penalty

Section 6696(d) of the Internal Revenue Code expressly provides that the Service must assess the section 6695A appraiser penalty within three years after the return or claim for refund with respect to which the penalty is assessed was filed. When section 6695A was first enacted in the Pension Protection Act of 2006, section 6696(d)(1) did not originally provide a three year period of limitation on assessment for the section 6695A penalty as it did for the penalties under sections 6694(a) and 6695. Congress, however, amended section 6696(d) in the Tax Technical Corrections Act of 2007 to specifically include this three year period of limitations on assessment for the section 6695A penalty. You inquired into the advice provided in AM 2007-017, which stated that there was no period of limitations applicable to the assessment of a penalty under section 6695A. The advice provided in AM 2007-0017 was drafted prior to the 2007 amendment to section 6696(d)(1) and, therefore, is no longer correct advice.